federal register

MONDAY, MAY 23, 1977

PART IX

OFFICE OF MANAGEMENT AND BUDGET

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BUDGET RESCISSIONS AND DEFERRALS

Report to Congress

OFFICE OF MANAGEMENT AND BUDGET

BUDGET RESCISSIONS AND DEFERRALS

Report to Congress

TO THE CONGRESS OF THE UNITED STATES:

In accordance with the Impoundment Control Act of 1974, I herewith propose rescission of $126.2 million appropriated for the Patrol Hydrofoil Missile program of the Department of Defense. In addition, I am reporting a deferral of $31.8 million for the Energy Research and Development Administration, Clinch River Breeder Reactor project, and revisions to two deferrals previously transmitted.

The details of the proposed rescission and the deferrals are contained in the attached reports.

Jimmy Carter

THE WHITE HOUSE, May 18, 1977.

CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)

Rescission #	Item	Budget Authority
	Defense - Military:	
R77-14	Shipbuilding and conversion, Navy.....	126,212
Deferral #		
	Defense - Civil:	
	Corps of Engineers	
D77-53A	Construction, general.....	2,665
	Interior:	
	Bureau of Land Management	
D77-16A	Oregon and California grant lands.....	7,615
	Energy Research and Development Administration:	
D77-58	Operating expenses.....	31,800
	Subtotal, deferrals.....	42,080
	Total, rescissions and deferrals.....	168,292

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SUMMARY OF SPECIAL MESSAGES
FOR FY 1977
(in thousands of dollars)

	Rescissions	Deferrals
Twelfth special message:		
New items.....	126,212	31,800
Changes to amounts previously submitted...	---	-2,906
Effect of the twelfth special message...	126,212	28,894
Previous special messages.....	1,040,378	7,220,418
Total amount proposed in special messages...	1,166,590 (in 14 rescission proposals)	7,249,312 (in 58 deferrals)

NOTE: All amounts listed represent budget authority except for $134,807,092 consisting of two general revenue sharing deferrals of outlays only (D77-26 and D77-27A). Reports for D77-26 and D77-27A are included in the special messages of October 1, 1976, and December 3, 1976, respectively.

Rescission Proposal No: R77-14

PROPOSED RESCISSION OF BUDGET AUTHORITY
Report Pursuant to Section 1012 of P.L. 93-344

Agency Department of Defense	New budget authority (P.L. ____) $ ____
Bureau	Other budgetary resources 2,546,067,701
Appropriation title & symbol Shipbuilding and Conversion, Navy 175/91611 176/01611	Total budgetary resources 2,546,067,701
	Amount proposed for rescission $ 126,212,000
OMB identification code: 17-1611-0-1-051	Legal authority (in addition to sec. 1012) ☐ Antideficiency Act
Grant program ☐ Yes ☒ No	☐ Other ____
Type of account or fund: ☐ Annual ☒ Multiple-year Sept. 30, 1979 / Sept. 30, 1980 (expiration date) ☐ No-year	Type of budget authority: ☒ Appropriation ☐ Contract authority ☐ Other ____

Justification

The funds proposed for rescission were appropriated specifically for the Patrol Hydrofoil Missile (PHM) program. As the result of an in-depth review of the program, it has been decided not to continue with procurement of follow-on Patrol Hydrofoil Missile ships. The Navy presently possesses one Patrol Hydrofoil Missile vessel, which is sufficient to conduct needed research in hydrofoil technology. The operational effectiveness of a second Patrol Hydrofoil Missile ship relative to other assets was judged to be insufficient to justify the cost involved. The accounts affected are as follows:

Shipbuilding and conversion, Navy	175/91611	$87,212,000
Shipbuilding and conversion, Navy	176/01611	39,000,000
Total		$126,212,000

Estimated Effects

The Department of the Navy's ability to successfully accomplish its mission would not be affected by this rescission proposal.

Outlay Effects (estimated in millions of dollars)

Comparison with the President's 1978 budget:

1. Budget outlay estimate for FY 1977	$2,983.0
2. Outlay savings, if any, included in the budget outlay estimate	0
Current outlay estimate for FY 1977:	
3. Without rescission	2,983.0
4. With rescission	2,978.0
5. Current outlay savings (line 3 - line 4)	5.0
Outlay savings for FY 1978	24.0
Outlay savings for FY 1979	26.0
Outlay savings for FY 1980	26.0

DEPARTMENT OF DEFENSE - MILITARY

TITLE IV

PROCUREMENT

Shipbuilding and Conversion, Navy
(Including Transfer of Funds)

Of the amount appropriated under this head in the Department of Defense Appropriation Act, 1975, for the patrol hydrofoil missile program, $87,212,000 are rescinded.

DEPARTMENT OF DEFENSE - MILITARY

TITLE IV

PROCUREMENT

Shipbuilding and Conversion, Navy

Of the amount appropriated under this head in the Department of Defense Appropriation Act, 1976, for completion of the second PHM patrol hydrofoil missile ship, $39,000,000 are rescinded.

(Note: Two language proposals are required since the funds were appropriated in two separate acts.)

D77-53A

SUPPLEMENTARY REPORT

Report Pursuant to Section 1014(c) of Public Law 93-344

This report revises Deferral No. D77-53 transmitted to the Congress on March 24, 1977, and printed as House Document No. 94-511.

This revision for the construction, general account of the Corps of Engineers updates the basis for and estimated effects of the deferral. The review of water resources projects called for by the President has been completed. All funds for water resources projects previously deferred have been released except for $2,665,000 for the Meramec Park Lake project that will remain deferred pending a determination of close-out costs.

Deferral No: D77-53A

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of the Army	New budget authority (P.L. 94-355) $1,436,745,000
Bureau Corps of Engineers, Civil	Other budgetary resources 141,889,603
Appropriation title & symbol Construction, General COE Civil 96X3122	Total budgetary resources 1,578,634,603
	Amount to be deferred: Part of year $ --- Entire year ---
OMb identification code: 96-3122-0-1-301	Legal authority (in addition to sec. 1013): ☐ Antideficiency Act ☐ Other ----
Grant program ☐ Yes ☒ No	
Type of account or fund: ☐ Annual ☐ Multiple-year ---- (expiration date) ☒ No-year	Type of budget authority: ☒ Appropriation ☐ Contract authority ☐ Other ----

*Justification

The review called for by the President of all Federal water resources projects which may be environmentally damaging, economically marginal, or which pose safety hazards has been completed. As a result of the review, no 1978 funding is being requested by the President for the Meramec Park Lake, Missouri project. This deferral of 1977 funds for Meramec Park Lake will be maintained pending a determination of close-out costs associated with the project.

*Estimated Effects

The deferral of funds for Meramec Park Lake will delay the start of abutment preparation and some land acquisition. One contract at Meramec Park Lake is being delayed by this deferral action.

*Outlay Effect (Estimated in millions of dollars)

Comparison with President's FY 1978 budget:

1. Budget outlay estimate for FY 1977..... $1,400.0
2. Outlay savings, if any, included in the budget outlay estimate..... ---

* Revised from previous report.

D77-53A

Current Outlay Estimates for 1977: 2

3. Without deferral	$1,398.8
4. With deferral	1,397.3
5. Current outlay savings (line 3 minus line 4)	1.5
Outlay savings for 1978	---
Outlay savings for 1979	-1.5

D77-16A

Supplementary Report

Report Pursuant to Section 1014(c) of Public Law 93-344.

This report revises Deferral No. D77-16, transmitted to the Congress on October 1, 1976, and printed as House Document No. 94-650.

Deferral No. D77-16, previously reported for the Oregon and California Grant Lands, was based on an estimate of the unobligated balance available at the end of the transition quarter. This supplementary report reflects the actual unobligated balance carried into fiscal 1977.

The revised deferral increases the amount withheld by $2.1 million from $5.4 million to $7.6 million. The deferral is planned to be in effect for all of fiscal 1977.

Deferral No: D77-16A

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of P.L. 93-344

Agency: Department of the Interior	New budget authority (P.L. 94-373) $ 41,250,000 1/
Bureau: Land Management	Other budgetary resources 11,221,153*
Appropriation title & symbol: 14x5136 Oregon and California Grant Lands	Total budgetary resources 52,471,153*
	Amount to be deferred: Part of year $ ____
	Entire year 7,615,053*
OMB identification code: 14-5136-0-2-302	Legal authority (in addition to sec. 1013): [x] Antideficiency Act
Grant program [ ] Yes [x] No	[ ] Other ____
Type of account or fund: [ ] Annual [ ] Multiple-year ____ (expiration date) [x] No-year	Type of budget authority: [ ] Appropriation [ ] Contract authority [x] Other ~~Appropriated~~ receipts

*Justification : The Interior and Related Agencies Appropriation Act for 1977 includes an indefinite no-year appropriation equivalent to 25 percent of timber sale receipts from revested Oregon and California Railroad grant lands. The appropriated receipts provide for management, development, and protection of Federal Oregon and California grant lands including the construction and maintenance of roads. Because the appropriation is based on the receipts collected in the same period and the receipts are based on the timber harvested, the total amount which will be available for obligation can only be estimated. Not only may actual receipts vary from estimates, but receipts for the last two months of the fiscal period are not known in time to make programmatic adjustments to offset a possible shortfall between estimated and actual amounts. Deferral is planned to cushion fluctuating receipt levels. This deferral is taken pursuant to the Antideficiency Act (31 U.S.C. 665).

This deferral is consistent with 1977 program plans as described in the President's 1978 Budget. Receipts for FY 1977 are now estimated at $165 million, thus making $41,250,000 (25 percent) in new budget authority available under terms of the appropriation. The actual unobligated balance carried into FY 1977 is $11,221,153. Total resources for this program are $52,471,153. The current obligation program of $44,856,100 results in a deferral of $7,615,053. These funds are proposed for deferral through September 30, 1977.

1/Estimated. The appropriation is for "an amount equivalent to 25 percent of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands."

*Estimated Effects: There will be no programmatic impact in FY 1977.

*Outlay Effect: There is no outlay effect of this deferral.

*Revised from previous report.

Deferral No: D77-58

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of P.L. 93-344

Agency Energy Research & Development Administration	New budget authority (P.L. 94-355, P.L. 94-373) $4,669,338,000
Bureau	Other budgetary resources 1,802,626,059
Appropriation, title & symbol	Total budgetary resources 6,471,964,059
Operating Expenses 89X0100	Amount to be deferred: Part of year $ 31,800,000 1/
Clinch River Breeder Reactor Plant Project	Entire year
OMB identification code: 89-0100-0-1-999	Legal authority (in addition to sec. 1013): ☐ Antideficiency Act
Grant program ☐ Yes ☐ No	☐ Other
Type of account or fund: ☐ Annual ☐ Multiple-year (expiration date) ☒ No-year	Type of budget authority: ☒ Appropriation ☐ Contract authority ☐ Other

Justification

The Administration has determined as part of its overall energy policy that the Clinch River Breeder Reactor Plant project (CRBRP) is not required at this time. The Administration proposes to send to the Congress a change to the project objectives, as required by section 106(b) of Public Law 91-273. The revised objective of the project is to complete systems design. This deferral is submitted for the 45-day period during which Congressional action is pending on the proposed revision in order to preclude obligation of funds for new contracts that would not be necessary under the proposed new project objective. If the new project objective is not disapproved by the Congress while the proposed amendment is pending, necessary funds will be made available following the 45-day period to meet the revised project objective.

Estimate Effects

This deferral, pending Congressional action on the proposed modification of the project objectives, will have no effect on current contracts but will preclude obligation of funds for new contracts.

1/ None of these funds are included in another Energy Research and Development Administration deferral, D77-55.

Outlay Effect (estimated in millions of dollars)

Comparison with President's 1978 Budget:	
1. Budget outlay estimate for 1977	$4,235.2
2. Outlay savings, if any, included in the budget outlay estimate	0
Current Outlay Estimates for 1977:	
3. Without deferral	4,000.0
4. With deferral	3,992.5
5. Current outlay savings (line 3 - line 4)	7.5 2/
Outlay savings for FY 1978	0
Outlay savings for FY 1979	0

2/ This "outlay savings" would be offset in future years beyond FY 1979.

[FR Doc.77-14703 Filed 5-19-77;3:22 pm]